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IN THE MATTER OF U S WEST)	
COMMUNICATIONS, INC.'S)	
COMPLIANCE WITH SECTION 271 OF THE)	DOCKET NO. T-00000A-97-238
TELECOMMUNICATIONS ACT OF 1996)	
_____)	

**MCI WORLDCOM'S COMMENTS ADDRESSING
 PROCESS CONCERNS, OPENNESS AND BLINDNESS**

MCI WorldCom, Inc., on behalf of its regulated subsidiaries ("MCIW") submits the following comments in response to written request issued by David A. Motycka, Assistant Director, Utilities Division and Maureen A. Scott, Staff Counsel. That request generally sought written comments on or before January 10, 2000, which address the nature of operations support systems ("OSS") testing procedures used in other states to ensure openness of process, blindness and that address the extent and nature of involvement of all parties in the various phases of the testing process.

MCIW incorporates the comments that were submitted to Maureen Scott in a letter dated December 22, 1999, by AT&T Communications of the Mountain States, Inc., TCG Phoenix, MCI WorldCom, Inc., Sprint Communications Corporation, L.P. and Rhythms Links, Inc., which express how various meetings should be conducted , that

meetings should be public, and that TAG meetings should be less restrictive, longer and more frequent.

A. Relevant requirements of the Bell Atlantic Memorandum Opinion and Order.

On December 22, 1999, the Federal Communications Commission issued its Memorandum Opinion and Order No. FCC 99-404 in Docket No. CC Docket No. 99-295 entitled *Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York* ("NY 271 Order"). In that opinion and order the FCC addressed OSS testing including openness and blindness in several paragraphs as follows:

8. The section 271 process in New York exemplifies the way in which rigorous state proceedings can contribute to the success of a section 271 application. There are a number of elements that were particularly important to the success of this process in opening local markets to competition consistent with the terms of the 1996 Act. These include: (1) full and open participation by all interested parties; (2) extensive independent third party testing of Bell Atlantic's operations support systems (OSS) offering; (3) development of clearly defined performance measures and standards; and (4) adoption of performance assurance measures that create a strong financial incentive for post-entry compliance with the section 271 checklist by Bell Atlantic. While we accord applicants flexibility in demonstrating compliance with section 271, these elements played a vital role in the success of this application.

9. First, under the auspices of the New York Commission, both competitive LECs and Bell Atlantic participated fully in collaborative sessions and technical workshops to clarify or resolve issues. This ensured broad-based industry participation throughout the proceeding.

10. Second, extensive third party testing of Bell Atlantic's OSS in New York was also critical to the success of these proceedings. The OSS testing was conducted in two phases. Phase I consisted of development of a detailed and comprehensive plan to evaluate and test the OSS interfaces and the adequacy of Bell Atlantic's processes, procedures, and documentation to allow competitive LECs to access and use these systems. Phase II of the test involved: (1) building the interface and assessing the ease or complexity of developing interface software; and (2) executing the test plan using a pseudo-competitive LEC. The rigorous,

comprehensive third party testing in New York identified numerous shortcomings in Bell Atlantic's OSS performance that were subsequently corrected and re-tested. KPMG released its final report on August 6, 1999, concluding that Bell Atlantic's OSS was commercially available and sufficient to handle reasonable, anticipated commercial volumes.

* * *

20. . . . In the instant proceeding, we accord the New York Commission's evaluation substantial weight, for the reasons set forth above. In particular, we note that the New York Commission has directed a rigorous collaborative process that has included: an extensive independent third-party test of Bell Atlantic's OSS interfaces, processes and procedures; active participation by New York Commission staff, Bell Atlantic, and competitive LECs in numerous technical conferences that helped to identify and resolve problems; and the development of a comprehensive performance monitoring and enforcement mechanism. Throughout these proceedings, the New York Commission has ensured that the process was open to participation by all interested parties and, as a result, received and reviewed a massive record of public comments. We thus place substantial weight on the New York Commission's conclusions, as they reflect its role not only as a driving force behind these proceedings, but also as an active participant in bringing local competition to the state's markets.

21. . . . Subsequently, the New York Commission held additional collaborative sessions to work out technical details associated with development of a working Operations Support System (OSS). Specifically, these sessions resolved numerous OSS issues, including an agreement on business rules that would govern the development by competitors of systems to interface with those of Bell Atlantic. . . .

22. On April 6, 1998, Bell Atlantic filed a Pre-Filing Statement with the New York Commission, which contained a number of commitments, including: 1) to provide combinations of elements (including UNE-P as a minimum service offering); 2) to engage a third-party to test Bell Atlantic's OSS; and 3) to establish a self-effectuating system to prevent backsliding. Pursuant to these commitments, Bell Atlantic obtained a comprehensive independent third-party test of its wholesale support systems and developed a plan to ensure adequate continuing wholesale performance. As described above, this test was conducted by KPMG Peat Marwick and Hewlett Packard under the supervision of the New York Commission. Together, the New York Commission and KPMG created an open testing environment in which they consulted with interested parties, issued draft plans and reports, and reported in detail on issues of serious concern. The problems identified through the test were addressed by Bell Atlantic through process improvements during the test period. The third-

party test was completed with the release of KPMG's final report on August 6, 1999. As noted above, Bell Atlantic filed its application with this Commission on September 29, 1999.

* * *

99. To the greatest extent possible, the KPMG test was both independent and blind. Neither KPMG nor Hewlett Packard had a reporting relationship to Bell Atlantic.¹ Although it was virtually impossible for the KPMG transactions to be truly blind, KPMG instituted certain procedures to ensure that both KPMG and Hewlett Packard would not receive preferential treatment.² For example, KPMG required that all documents provided to them were generally available to all competing carriers.³ The New York Commission monitored phone calls between KPMG and Hewlett Packard and Bell Atlantic, and competing carriers were invited to attend conference calls.⁴ In addition, KPMG made concurrent observations of the service quality delivered to other competing carriers during the course of its test.⁵

100. The scope and depth of KPMG's review, and the conditions surrounding it, including KPMG's independence, military-style test philosophy, efforts to place themselves in the position of an actual market entrant, and efforts to maintain blindness when possible, lead us to treat the conclusions in the KPMG Final Report as persuasive evidence of Bell Atlantic's OSS readiness. As we have said before, the persuasiveness of a third-party review is dependent on the conditions and scope of the review.⁶ Because we recognize that various third-party tests may be adequate to demonstrate the operational readiness of a BOC's OSS, we emphasize that we do not foreclose the possibility that a third-party test designed differently than the KPMG review may also be persuasive. Nonetheless, were a third-party test less comprehensive, less independent, less blind, and, therefore, less useful in assessing the real world impact of a BOC's OSS on competing carriers, we would not necessarily find it persuasive and may accord it less weight than we do the KPMG Final Report. (Emphasis supplied.)

From MCIW's perspective, the NY 271 Order is the only relevant decision upon

¹ New York Commission Comments at 33. See also Department of Justice Evaluation at 4-5.

² For example, blindness was impossible because transactions arrive on dedicated circuits, the owners of which are known by Bell Atlantic. KPMG Final Report at Executive Summary II-5.

³ *Id.*

⁴ *Id.*

⁵ *Id.*

which the Staff, Cap Gemini Telecom (“CGT”) and Hewlett Packard (“HP”) should rely concerning openness, blindness and participation by all parties in the OSS testing process. The FCC ruling on BA is quite clear about openness. In Arizona, the existence of a Telecommunications Advisory Group (“TAG”), does not, in and of itself, create openness. Rather, as is evident from the NY 271 Order, openness must exist in all aspects of the third-party test.

B. Key facts regarding New York, Pennsylvania and Massachusetts OSS Testing.

To the greatest extent possible, the KPMG test was both independent and blind. For example, KPMG required that all documents provided to them were generally available to all competing carriers. The New York Commission monitored phone calls between KPMG and HP and Bell Atlantic (“BA”), and competing carriers were invited to attend conference calls. HP acted as a competing carrier information technology group, establishing electronic bonding with BA, translating back and forth between business and EDI rule formats, and resolving problems with missing orders and responses.

The rigorous, comprehensive third party testing in New York identified numerous shortcomings in BA's OSS performance that were subsequently corrected and re-tested. HP and KPMG released their final report on August 6, 1999, concluding that BA's OSS was commercially available and sufficient to handle reasonable, anticipated commercial volumes.

In Pennsylvania, calls between KPMG/BA have been conducted both as 2-way calls where CLECs can interact and as calls where CLECS can listen in and then later

⁶ *Ameritech Michigan Order*, 12 FCC Rcd at 20659.

comment in an open session with KPMG and Commission staff. In New York, the equivalent calls between HP and BA were also open to CLECs to listen and comment later. KPMG felt that those calls were not open enough, however, so they added an observations process, where KPMG listed its early impressions of systems issues/problems before they turned into Exceptions.

The most important part of all of this is that KPMG truly behaves like an independent, third party. It sets the test plan. It does the testing. There is no TAG with limited membership and the ability to change the process in mid-stream. Anyone with an interest in the proceeding is allowed to participate openly. There are no listen-only bridges - even the bridges for the observation calls are 2-way.

Meetings have no length limitations. Because they are open and cover critical materials, they sometimes go on for hours. Meetings in other states were longer than a few hours. Because they are frequent and are followed by comprehensive documentation (notes) posted on the PSC web, they are extremely useful to all parties. CLECs and the ILEC don't meet together and didn't design the test together

In Pennsylvania, the Commission fully supported CLEC participation in calls addressing metrics, billing, use of GUI and defining some processes. As the test continued, KPMG became more proficient about encouraging the CLECs to provide information. However, when CLECs provided requested information, it was generally on a call when BA did not participate to protect blindness.

In Pennsylvania and Massachusetts, the specific test transactions were never published. General test scenarios were published. If CLEC sought more detail or clarification about what was being tested, they could speak "off-line" to KPMG. Regular

monthly face-to-face meetings with all parties in attendance were held to discuss sensitive issues. A conference bridge was used for those monthly meetings.

KPMG published schedules to let CLECs know what phases of testing were taking place. At the monthly meetings, KPMG often distributed written presentations that detailed, for example, as the amount of volume would be processed, what states were affected, and when volume testing would take place.

In the end, KPMG recognized the benefit of CLEC input and readily accepted as much detailed information and documentation that CLECS were willing to provide.

C. OSS testing in Florida.

In Florida, a website is maintained with the current versions of all test materials and references. Florida uses standing status conference bridges that are open to all participating parties. CLECs have submitted test scenarios and performance metrics requirements as input to the preparation of the Master Test Plan. KPMG, the Test Manager, openly requested the suggestions for test scenarios. Performance metrics workshops are being held with CLEC representatives in active participation. The Master Test Plan scope is open to expansion for services that influence market entry but were not available from BellSouth as of the final testing composition, such as UNE-P. The Florida Public Service Commission took appropriate action early in the process to use its influence over the test manager to ask for revamp of testing materials that did not address CLEC documented concerns.

D. OSS testing in California

CGT, as the Test Administrator in California, has formulated a Technical Advisory Board (“TAB”), composed of five CLECs, Pacific Bell, CGT, GEIS, and the

California Commission Staff. CGT chairs the TAB, which meets every two weeks, and is governed by three process documents: "Issue/Jeopardy Management Process", "Escalation Process", and "Expedited Change Management Process". In addition, the TAB adheres to a "TAB Information Dissemination Process" document that includes the guidelines for how CLEC TAB members communicate with CLECs that are not part of the TAB.

In the first TAB meeting, held on October 8, 1999, CGT presented TAB members with the following TAB Charter:

1. Participate in Expedited Change Management Process
2. Communication medium between CLEC community and Test Administrator/Manager
3. Review periodic test results as requested
4. Offer advice, observations and provide input to test process as requested
5. Provide feedback on testing as requested.

CLEC TAB members are informed of test information as called for in the TAB's charter and the California Master Test Plan ("MTP"). Most recently, CGT has communicated test status updates that relate to planning and preparation exit criteria included in the MTP. As requested by TAB members, CGT drafts minutes of each TAB meeting, which are distributed on email to the entire TAB for review. Any TAB member comments on the draft minutes are discussed at the following TAB meeting, prior to adoption of the final minutes. This allows TAB members to confirm the accuracy of the minutes.

In TAB meetings, CGT consistently uses the MTP as a basis for determining what test information is public, and what test information is private to ensure blindness and prevent an introduction of bias. Accordingly, CGT has conferred with MCIW to establish the test environment in which CGT will use MCIW's electronic bonding (EB) interface with Pacific Bell to test the latter's provision of maintenance and repair service through EB. MCIW is also aware that CGT-CLEC meetings are necessitated to establish the use of CLEC collocation facilities as part of the MTP. These meetings are closed to Pacific Bell to avoid the potential for improperly skewing the test results.

In the November 4, 1999 TAB meeting, "CLEC Blindness" was an issue raised by Pacific Bell. CGT's minutes of the 11/4/99 TAB meeting summarize the CLEC blindness discussion by stating: "Summary: With the exception of normal coordination activities with CLECs participating in the tests, information concerning the test orders, schedules, etc. will be shared on a need to know basis."

In summary, CLECs are included and present in discussions that CGT has determined appropriate for CLEC input and insight using the MTP and TAB Charter guidelines.

E. The Arizona OSS testing process must avoid closed meetings like those held in Texas.

The Arizona test must avoid the closed meetings held in Texas. In Texas, Telcordia met with SWBT many times without the CLECs' knowledge or documentation. For example, SWBT provided historical data for performance measures yet the CLECs could not verify the data. SWBT provided Telcordia much technical assistance for evaluation of the process. Telcordia relied upon SWBT's assistance to get through

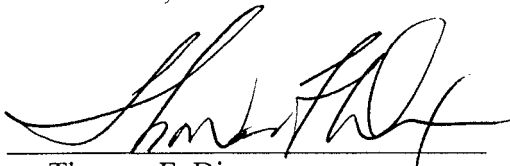
the test since Telcordia was under pressure to meet a deadline. Telcordia looked to SWBT for details of the test scenarios. Telecordia provided inadequate documentation throughout the testing process. On the positive side of the Texas test, the TAG meetings allowed for extensive discussions of issues.

CONCLUSION

As has been stated in the Regional Oversight Committee's Testing and Scoping Principles, the goal of all parties to this test of U S WEST's OSS should be an open, above-board test environment where all information relating to the test is available to all parties, except for information that is commercially sensitive or proprietary. To that end, CGT must establish procedures concerning communications affecting the planning, conduct and evaluation of the test. These procedures must include regular, open meetings between the 3rd party tester the pseudo-CLEC, the CLEC community and ACC staff representatives in a manner similar to the meetings held in the BA-NY test. Issue identification, research, resolution decisions, and other relevant items critical to the transparency of the test must be discussed and documented. Finally, all processes must be contained and documented in the Arizona Master Test Plan.

Dated: January 7, 2000

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CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of January, 2000, the Original and ten copies of MCI WorldCom, Inc. comments addressing Process Concern, Openness and Blindness in Docket No.T-00000B-97-0238 were sent via Airborne Express to the Arizona Corporation Commission.

In addition, a true and correct copy was sent via United States First Class Mail to the following:

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